
March 1995

Defense Management and NASA Issue Area Plan

Fiscal Years 1995-97



Foreword

The Defense Management and NASA issue area is one of the General Accounting Office's 35 issue areas. Relying heavily on input from congressional committees, as well as industry, academia, agency officials and other experts, GAO develops issue area plans to ensure that our resources are focused on the most important concerns of the Congress.

GAO serves as a source of timely, accurate information and unbiased analysis for decisionmakers in the Congress and executive agencies. For each issue area, GAO's strategic plan describes the significance of the issues, our objectives, and the focus of our work. Our work includes such products as reports, briefings, and testimonies.

Defense and NASA managers face many challenges as they strive to streamline operations, control cost growth in high interest programs, manage existing infrastructures, and accomplish their missions. GAO's overall strategy for Defense Management and NASA issues is to identify innovative, efficient, and cost effective approaches to redesigning Department of Defense (DOD) and National Aeronautics and Space Administration (NASA) management and infrastructure. Our work focuses on encouraging the reengineering and streamlining of Defense and NASA operations through new processes and best management practices. Our goal is to identify opportunities to save money, achieve management efficiencies, and improve results. The principal issues in the Defense Management and NASA area include

- opportunities for additional savings from consolidating or eliminating infrastructure activities;
- the base closure process, recommendations, lessons learned, and barriers to transitioning military bases to civilian use;
- best management practices of public and private sector entities that can be applied to DOD operations;
- unfunded liabilities facing DOD in such areas as environmental cleanup and chemical weapons disposal;
- progress in implementing such DOD initiatives as the Corporate Information Management and the Defense Business Operation Fund;
- opportunities to improve the efficiency and effectiveness of NASA space and aeronautical programs and the usefulness of their results; and

- cooperative efforts between NASA and other domestic and international entities to enhance the resources available for space and aeronautical research and development.

In the pages that follow, we describe our objectives and planned work on these issues.

Because unanticipated events may affect this plan, GAO's planning process allows for updating the plan and responding to new emerging issues. If you have any questions or suggestions about this plan, please call me at (202) 512-8412.

David R. Warren
Director, Defense Management and NASA Issues

Contents

Foreword	1
Table I: Key Issues	4
Table II: Planned Major Work	6
Table III: GAO Contacts	7

Table I: Key Issues

Issue	Significance
Infrastructure management: Is DOD efficiently and effectively managing military and civilian elements of its infrastructure?	Infrastructure costs accounted for \$160 billion (59 percent) of DOD's fiscal year 1994 budget. The Congress relies on GAO to provide a detailed analysis of the base closure and realignment process and recommendations. DOD anticipates operational savings and efficiencies will be achieved in the base closure process. DOD believes that additional infrastructure savings and efficiencies could be achieved by consolidating more functions.
Best management practices: What best management practices of public and private sector entities can be applied to DOD operations?	DOD believes that improving management practices and strengthening incentives would reduce its variable infrastructure costs. DOD must increase privatization and change its existing management practices and procedures to overcome longstanding problems and to decrease costs, particularly in the areas of inventory management and installation support activities.
Program management: Does DOD's management approach achieve efficiencies and allow it to maintain control over its operations, including the management of high-interest programs?	DOD must streamline procedures and manage its cost growth of programs, such as environmental compliance and chemical weapons disposal, to maintain its force structure and readiness. DOD has stewardship of 25 million acres of land with more than 18,000 sites that need to be cleaned up. Cleanup requirements include fuels, solvents, hazardous and nuclear waste, unexploded bombs and shells, and chemical weapons. Technology development efforts are needed to meet DOD's widespread environmental needs and chemical weapons disposal requirements.
NASA and space operations: What opportunities exist to improve the management of space and aeronautical programs and the usefulness of their results?	NASA's budget is unlikely to grow for the foreseeable future. In such an environment, NASA needs to make its projects affordable by identifying and implementing more efficient management practices, developing a more efficient infrastructure, and improving its oversight of contractors. NASA should also extend the influence of its space and aeronautical spending through domestic and international arrangements that share development cost and risk with others and make its research results more relevant and available to other sectors of the U.S. economy.

Table I: Key Issues

Objectives	Focus of work
<p>—Assess the base closure and realignment process, recommendations, and transition to civilian use.</p> <p>—Identify opportunities for additional savings from consolidating or eliminating infrastructure activities.</p> <p>—Monitor inventory reduction efforts.</p>	<ul style="list-style-type: none"> •Base closure and realignment process, procedures, recommendations, and results •Savings and efficiencies of base closures •Barriers to transitioning closed bases •Infrastructure programs and costs affected by changes in force structure •The need for and costs of mandated infrastructure activities and functions •Inventory trends, levels, and goals
<p>—Identify proven operational and management practices that achieve economies, efficiencies, and savings; and asses how DOD can best use them.</p> <p>—Monitor DOD’s management of high-risk areas.</p>	<ul style="list-style-type: none"> •Private sector’s management practices, concepts, and techniques to achieve operational improvements and efficiencies •Management practices, concepts, and techniques to change DOD’s culture and to achieve operational improvements and efficiencies •DOD’s management of high-risk programs
<p>—Evaluate the ability of DOD to efficiently and effectively manage its new environment.</p> <p>—Identify areas that represent unfunded liabilities in future year budgets.</p> <p>—Identify issues in disposing of chemical weapons.</p>	<ul style="list-style-type: none"> •DOD’s management initiatives to re-engineer, restructure, and streamline operations •DOD’s initiatives to streamline procedures and to maintain control over CIM and DBOF •Issues relating to funding, treaty ratification, environment, storage, and disposal of biological and chemical munitions
<p>—Assess NASA’s efforts to improve the efficiency and effectiveness of its program, project, and procurement management.</p> <p>—Evaluate whether NASA has developed an appropriate infrastructure to support projected roles and missions.</p> <p>—Determine whether NASA is enhancing the resources available for space and aeronautical research and development through appropriate joint arrangements with others.</p>	<ul style="list-style-type: none"> •Management of major programs (space transportation system, space station, and earth observing system) •Efficiency of government-wide space research and operations •Effectiveness of NASA procurement reform •Adequacy of budgetary and personnel resources •Effectiveness of efforts to enhance resources through arrangements with other domestic and international entities •Efficiency and cost of NASA’s infrastructure

Table II: Planned Major Work

Issue	Planned major job starts
Infrastructure management	<ul style="list-style-type: none"> — Review the 1995 base closure process — Evaluate transition of military bases — Assess public versus private depot maintenance — Evaluate reducing secondary inventory — Evaluate cost of base closures — Assess DFAS reengineering — Assess TRANSCOM reengineering — Review DOD infrastructure programs and costs — Assess DPS versus GPO or private sector printing
Best management practices	<ul style="list-style-type: none"> — Review best practices effectiveness — Evaluate benchmarking — Review aircraft repairables — Review tracked-vehicle repairables — Evaluate disposal and reutilization systems — Evaluate best practices methodology — Assess targets of opportunity
Program management	<ul style="list-style-type: none"> — Review CIM — Evaluate compliance with environmental cleanup standards — Assess DOD's pollution prevention — Review DBOF mechanism and customer impact — Review chemical weapons disposal program
NASA and space operations	<ul style="list-style-type: none"> — Evaluate space program infrastructure requirements — Assess the adequacy of NASA's program and project management cycle — Review effectiveness of space technology transfer — Review NASA's management of personnel downsizing — Evaluate effectiveness of cost controls in the space station program — Review application of best management practices by NASA — Evaluate shuttle operations and management — Review international cooperation initiatives — Review life-cycle costs of the space station and earth observing system

Table III: GAO Contacts

Director	David R. Warren	(202) 512-8412
----------	-----------------	----------------

Associate Director	James F. Wiggins	(202) 512-8412
--------------------	------------------	----------------

Assistant Directors	Uldis Adamsons Francis P. Degnan Jr. Julia C. Denman Lee A. Edwards James E. Hatcher Barry W. Holman Thomas J. Howard George A. Jahnigen John J. Klotz Kenneth R. Knouse Clementine H. Rasberry Foy D. Wicker
---------------------	--

Ordering Information

The first copy of each GAO report and testimony is free. Additional copies are \$2 each. Orders should be sent to the following address, accompanied by a check or money order made out to the Superintendent of Documents, when necessary. Orders for 100 or more copies to be mailed to a single address are discounted 25 percent.

Orders by mail:

U.S. General Accounting Office
P.O. Box 6015
Gaithersburg, MD 20884-6015

or visit:

Room 1100
700 4th St. NW (corner of 4th and G Sts. NW)
U.S. General Accounting Office
Washington, DC

Orders may also be placed by calling (202) 512-6000 or by using fax number (301) 258-4066, or TDD (301) 413-0006.

Each day, GAO issues a list of newly available reports and testimony. To receive facsimile copies of the daily list or any list from the past 30 days, please call (301) 258-4097 using a touchtone phone. A recorded menu will provide information on how to obtain these lists.

**United States
General Accounting Office
Washington, D.C. 20548-0001**

**Bulk Mail
Postage & Fees Paid
GAO
Permit No. G100**

**Official Business
Penalty for Private Use \$300**

Address Correction Requested

